



January 23, 2009

The Honorable Tom Price
U.S. House of Representatives
Washington, DC 20515

Dear Representative Price:

At a time when Congress is being pressured to support a trillion dollar spending bill based on discredited 70 year old New Deal economic theories, your introduction of the "Economic Recovery and Middle Class Relief Act of 2009" comes like a breath of fresh air.

Although liberals in the Congress and the new Obama Administration pay lip service to supporting programs that benefit hard-working middle-class taxpayers, their proposals primarily benefit government bureaucrats and left wing interest groups who will be granted contracts to carry out their agenda along with a few temporary tax credits that penalize people making more than \$75,000 per year.

Real growth will come from the private sector and your proposal includes real help for middle class taxpayers and small business owners. Just a few examples are:

- An across the board 5% cut income tax rates. Right now, we face a massive tax increase when the 2001 and 2003 tax cuts expire.
- A permanent 15% tax rate on Capital Gains and Dividends and indexing capital gains for inflation.
- A repeal of the Alternative Minimum Tax, long advocated by the American Conservative Union.
- Full, immediate expensing for all businesses, which would encourage the purchase of assets for business growth.
- A cut in the corporate tax rate to 25% to bring the rate more in line with our overseas competitors.
- A one percent reduction in non-defense discretionary spending, to prevent the consequences of a massive increase in our national debt.

This proposal would provide a real "stimulus" to the economy and presents an alternative conservatives across the country can support.

Sincerely,

David A. Keene
Chairman
American Conservative Union